

1. The Agency has determined that a standard, gravity-type distribution system to provide the premises with adequate pressure is neither presently feasible nor contemplated within the foreseeable future.
2. The owner(s) agrees to install individual storage and pumping facilities and a backflow device necessary to ensure an adequate water supply at the premises at all times. In such cases, the equipment shall be installed and maintained on the applicant's side of the meter at his own risk and expense.

In no event will a Low Pressure Service (or an extension resulting in low pressure conditions) be granted if, in the opinion of the Agency, the premises are not situated within the immediate vicinity of existing Agency facilities containing sufficient water storage to ensure an adequate volume of water to serve said premises.

### ***Section 8 - Reading of Meters***

All water supplied by the Agency will be measured by means of water meters. The cubic foot will be the unit of measure, and the amounts charged for service shall be based on the current rates established by the Agency.

In general, meters shall be read on a monthly basis. As it is not always practicable to read meters at equal intervals, the period between reading dates may vary as much as five days.

### ***Section 9 - Unreadable Meters***

Bills for service will be based on an estimate if a meter fails to register the volume of water consumed or cannot be read. In estimating consumption, due consideration will be given to fluctuations in usage caused by seasonal changes or known service interruption.

Where a meter cannot be read without undue difficulty because of obstruction, the customer will be notified and requested to correct the condition. The Agency has the right to discontinue the service if the condition is not corrected. Where services is turned off for such cause, the Agency may require payment of a turn-on charge as provided for in the Schedule of Rates and Charges.

### ***Section 10 – Policy on Service Discontinuation; Payment of Bills<sup>23</sup>***

Sections 10 through 13 of this policy shall constitute the Agency's policy on discontinuation of water service in accordance with California law. These sections of the policy and the final shutoff notice shall be available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least ten percent (10%) of the people residing in the Agency's service area. The policy shall be posted on the Agency's website. The Agency shall annually report the previous year's number of discontinuations of residential service for inability to pay on its internet website and report this information, if required, to the State Water Resources Control Board.

Bills are due and payable on the date they are mailed, and are delinquent ten (10) days thereafter. A delinquency penalty charge, as determined and as may be adjusted by the Board of Directors and as shown herein in the schedule of Fees and Charges, will be applied to each account's unpaid balance fifteen (15) days after it becomes delinquent and monthly thereafter until paid.<sup>24</sup>

Customers may make advance payments to maintain water service during their absence. The billing will reflect the current credit balance until expended. Monies placed on deposit will not bear interest.

Water service accounts will only be established in the name of the property owner, except as provided in Section 13 D of these Rules and Regulations. Landlords who make arrangements with their tenants to pay the monthly water bill may request that the bill be sent to their tenant's address. Nevertheless, the landlord is ultimately responsible for payment delinquencies, unless

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<sup>23</sup> Section 10, 11 and 12 amended for SB998 on 1/24/23

<sup>24</sup> Paragraph amended 10/27/98

the tenant has agreed to become a direct customer in accordance with Section 13 D of these Rules and Regulations. Delinquency notices will be sent to the occupant, and to landlords if the landlord is the customer of record.<sup>25</sup>

The district will presume that the property owner's address for all purposes related to these rules and regulations is the address of the property associated to the account, unless the owner notifies the district otherwise, in writing. The owner is responsible to provide the district with a correct and current mailing address, e-mail address, and phone number. Any changes to these methods of communication should be completed by the owner as soon as possible.

If a property owner appoints a third party (property management) to manage the property and associated water account, the district shall receive a written notification that such an agreement has taken place and that the agency will deal directly with said third party, until otherwise notified.

The Manager and Treasurer, at their discretion, may sign term payment agreements with individual property owners under the following guidelines:<sup>26</sup>

Up to a one hundred twenty (120) month period and a maximum amount of \$10,000 may be authorized for Agency fees and charges related to a new treated water service, including but not limited to system capacity charges, meter and backflow prevention device installation costs, and service line installation costs. The interest rate to be charged on all term payment agreements will be 10% per annum.

Failure by the property owner to comply with a term payment agreement may subject them to termination of water service until the full amount covered by the agreement is paid.

The term payment agreement will be recorded, will constitute a lien on the affected property, and will bind the heirs, successors and assigns of the property owner initiating the agreement.

### ***Section 11 - Delinquent Accounts***

Accounts are delinquent ten (10) days after the bill is mailed. Water services may be discontinued if an account remains delinquent seventy (70) days after the bill is mailed. A courtesy delinquency notice may be provided fifty (50) days after the bill is mailed. A final shutoff notice shall be mailed seven (7) business days prior to the scheduled delinquency shutoff. If the final shutoff notice is returned through the mail as undeliverable, then Agency staff shall make a good faith effort to visit the residence and leave the shutoff notice in a conspicuous location

The final shut-off notice generated in accordance with this section shall include the following: 1) the customer's name and address, 2) the amount(s) delinquent, 3) the date by which payment or arrangement for payment is required in order to avoid discontinuation of service, 4) a description of the process to apply for an extension of time to pay the delinquent charges, 5) a description of the procedure to petition for bill review and appeal, and 6) a description of the procedure by which the customer may request a deferred, reduced or alternative payment schedule, including an amortization of the delinquent service charges.

Customers who are unable to pay for water service within the normal payment period may request an alternative payment arrangement with the agency to avoid late and discontinuance fees or disruption of service. The district will consider all circumstances when reviewing the request and will ultimately determine if an arrangement is warranted. A payment arrangement may include an extension of the payment due date or an amortization plan. If the customer fails to comply with the granted payment arrangement and/or does not pay the subsequent charges, a written disconnection notice will be issued no less than 5 business days prior to the service being shut-off.

If a customer believes their bill, a charge thereon, or a determination of delinquency is incorrect the customer should immediately contact Agency staff by phone at 530-533-4578 or in person at the Agency's office located at 2310 Oro-Quincy Highway, Oroville. If the customer still believes the bill is incorrect after contacting Agency staff by phone or in person, they may promptly appeal a bill in writing to the General Manager no later than five (5) business days of receipt of a disputed courtesy or final delinquency notice. Customer appeal rights will lapse and be summarily rejected if not delivered, in writing, within five (5) business days of the courtesy or final delinquency notice. Timely written appeals must state the reason(s) why

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<sup>25</sup> Paragraph amended 7/28/94

<sup>26</sup> Paragraph and sub-paragraphs added 7/23/96, amended 8/27/96 and 1/27/98

the customer believes the bill is incorrect and may be mailed or delivered in person. The General Manager shall render a decision on written appeals in a timely manner, and the General Manager's decision will be considered final with respect to all charges then existing on the disputed bill. The General Manager may request additional information from the appealing customer and/or may conduct a hearing, if the General Manager believes such process will help in rendering a decision on the customer's appeal. The General Manager's decision, including the General Manager's findings, shall be provided to the customer in writing. Service shall not be discontinued while a written appeal is pending before the General Manager.

Written appeal to the General Manager is the sole procedure by which a customer may request reduced fees. The General Manager may grant such request, in the General Manager's discretion, only upon a finding that there was an error in computation of the customer's fees. Potential reduction in fees are available to residential services only.

Written request, with supporting documentation, delivered to Agency customer service staff is the sole procedure by which residential customers may request deferred or alternative payment schedules, including amortization of service charges. Eligible customers are those that make written request and provide (1) certification of a primary care provider that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of a resident of the customer's service address; and (2) the customer demonstrates that they are financially unable to pay for water service. A customer will be deemed financially unable to pay for service within the normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level. Customers satisfying all of the foregoing criteria will be entitled to defer payment of delinquent charges by entering into an amortization agreement to allow the customer to pay the delinquent charges amortized over a three (3) month period, in addition to current charges that accrue for service each month. The amortization period in the agreement may be longer than three (3) months when Agency staff deems necessary, but shall not exceed twelve (12) months. If the customer fails to pay under the agreement for at least sixty (60) days, service may be discontinued with at least five (5) business days' notice posted at a prominent and conspicuous location at the property. Requests for deferral and amortization of bills are available to residential customers only and should be made prior to discontinuation of service by contacting South Feather Water and Power at its office located at 2310 Oro-Quincy Highway, Oroville, telephone number 530-533-4578.

A water service may be discontinued if the delinquent account balance has not been paid prior to the scheduled shutoff date. Once a service has been discontinued, the entire account balance must be paid prior to service being restored.<sup>27</sup>

The delinquency notice, as well as the door hanger, shall serve as notification to the owner and resident that if the water service to the property becomes discontinued, any fire sprinkler system on the property that is connected to the impacted water service will not operate and the area protected by such fire sprinkler system shall be at risk.

Upon the restoration of service, reconnection fees for customers that are unable to pay in the normal billing cycle shall not exceed \$50 for reconnection ("turn-on") during normal operating hours, and shall not exceed \$150 for reconnection during nonoperational hours ("after hours"), but shall be charged in the amount specified by the Rates in Part D of these rules if less than \$50 and \$150, respectively.

### ***Section 12 - Service Fees***

When a courtesy delinquency notice is generated, a "Courtesy Delinquency Notice Service Fee" shall be added to the account and included in the delinquent balance. Said fee shall be determined and may be adjusted by the Board of Directors, and is shown herein in the schedule of Rates and Fees.

When a final shutoff notice is generated, a "Final Shutoff Notice Service Fee" shall be added to the account and included in the delinquent balance. Said fee shall be determined and may be adjusted by the Board of Directors, and is shown herein in the schedule of Rates and Fees.<sup>28</sup>

When a water service is discontinued for delinquency a "Meter Lock Service Fee" shall be added to the account and included in the delinquent balance. Said fee shall be determined and may be adjusted by the Board of Directors, and is shown herein in

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<sup>27</sup> Paragraph added 10/27/98

<sup>28</sup> Paragraph added 10/27/98

the schedule of Rates and Fees. No additional fee will be assessed to restore service if the entire account balance is paid prior to said balance being assigned to the Butte County Tax Roll.<sup>29</sup>

In the case where a delinquent bill is paid by check or credit card after the final shutoff notice has been mailed, and the check is returned unpaid by the bank, service may be immediately discontinued without further notice, provided that notice has been given in accordance with Section 11 of these Rules and Regulations. Prior to restoration of service, the account's entire balance and any bank charge for a returned check must be paid in cash before service will be continued.<sup>30</sup>

### ***Section 13 - Discontinuance of Service***

#### **A. Reasons for Discontinuation of Water Service:**

##### **1. At Customer's Request**

Water service will be turned off on the date requested by the customer, excepting Saturdays, Sundays, and holidays, provided 24-hour advance notice is furnished to the Agency. The customer will be held responsible for all service rendered to his premises until the Agency has received notice to terminate such service. Only written requests by the property owner will be accepted.

##### **2. For Nonpayment of Bills**

Water service may be discontinued by the Agency if an account remains delinquent at least seventy (70) days after the bill is mailed.<sup>31</sup>

Water service may only be discontinued for nonpayment of bills if the shut-off notices were provided as described in Section 11 of these Rules and Regulations. A customer may appeal a bill as described in Section 11, and service may not be discontinued while an appeal is pending before the Agency. Eligible customers facing discontinuation for nonpayment who are unable to pay during the normal billing cycle will be offered an opportunity to amortize their delinquent bill as provided in Section 11.

Customers can contact South Feather Water and Power at its office located at 2310 Oro-Quincy Highway, Oroville, telephone number 530-533-4578, to discuss options for averting discontinuation of service for nonpayment, including possible deferral and amortization.

##### **3. For Noncompliance with These Regulations**

Water service will be discontinued, reclassified, or removed by the Agency for failure to comply with any of the regulations governing water service to customers.

If service is turned off for violation of regulations, the Agency may require payment of a turn-on charge as determined by the Board of Directors and set forth herein in the schedule of Fees and Charges in addition to other amounts due from the customer before restoring water service.<sup>32</sup>

#### **B<sup>33</sup>. Circumstances Under Which Service May Not Be Discontinued**

1. During the pendency of an appeal to the General Manager of a customer dispute or complaint;
2. When a customer has been granted an extension of time for payment of a bill; or

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29 Paragraph amended 10/27/98

30 Paragraph amended 10/27/98

31 Paragraph amended 10/27/98

32 Paragraph amended 10/27/98

33 Subsection added 10/27/98

3. When the customer (a) provides a certification of a licensed practitioner or primary care provider that termination of service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises; (b) demonstrates the customer is financially unable to pay for service within the normal period; and (c) executes an amortization agreement with the Agency.
  - a. A customer will be deemed financially unable to pay for service within the normal billing cycle if any member of the customer’s household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household’s annual income is less than 200 percent of the federal poverty level.

**C. Continuation of Monthly Service Charge<sup>34</sup>**

The monthly service charge assessed to all accounts is for expenses incurred by the Agency which are not related to amount of usage - account maintenance, administration, distribution system maintenance, fire flow, maintenance of the service line on the Agency’s side of the meter , etc. These expenses continue throughout the year regardless of the volume any specific account uses. It is appropriate, therefore, that the monthly service charge be applied to each account on a monthly basis, regardless of usage, unless service is discontinued.

Unless water is unavailable for a period of time in excess of thirty (30) days, or unless service is physically discontinued by Agency personnel - at either the owner’s request or the Agency’s own initiative - the monthly service charge shall continue to be assessed to each account.

**D.<sup>35</sup> Termination of Water Service to Residential Occupants Served through a Master Meter or Individually Metered Tenants of Multi-Unit Residential Structures Implementing Public Utility Code Section 16481.1 B and Health and Safety Code § 116916 (b)**

South Feather Water and Power Agency serves water to residential occupants through a master meter and individual meters in multi-unit residential structures and mobile home parks, where the owner, manager, or operator is listed as the customer of record.

These rules and regulations establish the procedure by which South Feather Water and Power Agency will inform the residential occupants of their rights when the master meter account or individual meter account is in arrears and service to the master meter or individual meter is threatened with termination.

1. Notice to Residential Occupants

Where the owner, manager or operator of a multi-unit residential structure or mobile home park or similar facility is listed by South Feather Water and Power Agency as the customer of record and the account is in arrears, every good faith effort will be made to inform the residential occupants by means of a written notice posted on the door of each residential unit at least fifteen days prior to service termination that service will be terminated on a date specified in the notice. If it is not reasonable or practicable to post the notice on the door of each residential unit, two copies of the notice will be posted in each common area and at each point of access to the structure or mobile home park or similar such area. The notice will be in English and to the extent practical in any other language that South Feather Water and Power Agency determines is the primary language spoken by a significant number of the residential occupants. The notice will be in bold type and in a large font, at least 14 pitch.

The notice will inform the residential customers of the following:

- a. That they have the right to become direct customers of South Feather Water and Power Agency to whom the service will be billed.

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<sup>34</sup> Standby charge on inactive accounts deleted 2/24/09

<sup>35</sup> Subsection added 11/23/04

- b. That they can become direct customers in this way without being required to pay the amount due on the delinquent account.
- c. That in order to prevent the termination of service or to re-establish service, the residents must contact South Feather Water and Power Agency to sign up for service as set forth below.

2. Guidelines for Residential Occupants to Become Direct Customers of South Feather Water and Power Agency

Residential occupants of a multi-unit residential structure, mobile home park, or similar facility can become direct customers of South Feather Water and Power Agency and avoid termination of service, or reestablish service by becoming direct customers. The residential occupant should contact South Feather Water and Power Agency at its office located at 2310 Oro-Quincy Highway, Oroville, telephone number 530-533-4578, to request service.

South Feather Water and Power Agency may request the residential occupant to demonstrate creditworthiness as a condition for establishing credit. Creditworthiness will be established by the residential occupant by providing proof of prompt payment of rent or other credit obligations which have accrued during a six-month period of time prior to application for service.

The residential occupant may also want to contact the Community Legal Information Center at 25 Main Street, Suite 102, Chico, telephone 530-898-4354, which has been recommended by the Butte County Bar Association to provide legal advice in connection with these matters.

South Feather Water and Power Agency is not required to make service available to the residential occupants unless each residential occupant or a representative of the residential occupants agrees to the terms and conditions of service and meets the requirements of these Rules and Regulations. If one or more of the residential occupants, or a representative of the residential occupants are willing and able to assume responsibility for subsequent charges to the master meter account to the satisfaction of South Feather Water and Power Agency, service will be made available to the residential occupants who have met those requirements or on whose behalf those requirements have been met. A representative of the residential occupants does not include a tenants' association.

3. Liberal Construction

South Feather Water and Power Agency will liberally construe these Rules and Regulations to accomplish the purpose of ensuring that service to the residential occupants of a multi-unit residential structure, mobile home park or similar facility provided service through a master meter is not terminated due to non-payment unless South Feather Water and Power Agency has made every reasonable effort to continue service to the residential occupants.

4. Limitations on Termination of Service

Notwithstanding delinquency in the master meter account, South Feather Water and Power Agency will not terminate water service for non-payment:

- a. During the pendency of an investigation of a customer dispute or complaint;
- b. Where the customer has been granted an extension of the period for payment of the bill;
- c. For indebtedness owed by the customer to any other public agency, or when the obligation represented by the delinquent account or other indebtedness was incurred with any public agency other than South Feather Water and Power Agency;
- d. When a delinquent account relates to another property owned, managed or operated by the customer;
- e. When a public health or building officer certifies that termination would result in a significant threat to the health or safety of the residential occupants or the public; or,

f. When the limitation upon termination described in Section 13 B of these Rules and Regulations is effectuated

5. Compliance with Law

By these Rules and Regulations, South Feather Water and Power Agency intends to comply with the requirements imposed by Public Utility Code §16481.1 and Health and Safety Code § 116916. The procedures outlined in those statutes, as may be amended from time to time, take precedence over these Rules and Regulations.

**Section 14 - Removal of Meter or Service Lateral**

When the service is discontinued for any reason, the Agency has the right to remove the meter and other equipment.

Where the meter alone has been removed, there will be a charge for resetting a meter provided for in the Schedule of Rates and Charges.

Where the service lateral has been removed, the property owner will be responsible for having the service restored at his expense.<sup>36</sup>

**Section 15 - Change in Size of Service**

Changes in the size of standard service requested by the owner of the premises or required by the Agency will be made subject to the following provisions:

**A. Reduction in Size of Service**

A requested change to a smaller size service must be approved by the Agency and will be made without charge to the applicant.

Customers will be allowed to reduce the size of their water meter, without relinquishing their right to the original larger service size. When water service is originally established, all connection fees and system capacity charges relating to that size service are paid to the Agency. If, at a later date, a customer elects to reduce the size of the service, they will continue to have the right to the larger service size.<sup>37</sup>

**B. Increase in Size of Service**

A requested increase in the size of a service must be approved by the Agency. The installation of the larger service shall be made by a licensed contractor at the property owner's expense.

If the customer's rate of consumption results in excessive wear of the meter or is such that the meter is unable to measure the flow of water accurately, the Agency may increase the size of the service and require the customer to pay the actual installation costs.<sup>38</sup>

It is the responsibility of the Agency to recover the cost of providing service to a customer. As such, at the time a meter is reinstalled or enlarged in size at the request of the customer, the Agency will apply the charges established by the Board of Directors in effect at the time for resetting a meter and/or turning on the service, and any other applicable charges.<sup>39</sup>

In addition, interim compliance with the Agency's Rules and Regulations, Section 24, 'Control of Backflow and Cross-Connections,' involving voluntary removal of a meter, shall not constitute the abandonment of the customer's right to the larger size service.<sup>40</sup>

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36 Paragraph amended 2/27/96

37 Paragraph added 7/28/94

38 Paragraph amended 7/28/94

39 Paragraph added 7/28/94

40 Paragraph added 7/28/94